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December 28, 2020

Regeneron Letter to Ophthalmology Community Regarding the Most Favored Nation Interim Final Rule

The following letter was shared today with the American Society of Retina Specialists (ASRS) and the American Academy of Ophthalmology (AAO).

Dear Ophthalmology Community,

Regeneron strongly opposes the Most Favored Nation Rule (MFN Rule) and the adverse impact it would have on patients and the Ophthalmology community, should it be implemented.

While the final outcomes of the lawsuits challenging the Most Favored Nation (MFN Rule) are still to be determined, we were pleased to see an initial decision in the PhRMA case granting a 14-day temporary restraining order, which will delay the implementation to give the court additional time to consider the lawsuit. Separately, three other lawsuits, including Regeneron's own lawsuit, are proceeding in different courts. More details on our lawsuit are below.

In the meantime, Regeneron is working to minimize any disruptions to your patients and practices from the ongoing COVID-19 pandemic and the MFN Rule, if implemented. As a result, we are sharing two timely updates to facilitate uninterrupted access to EYLEA® (aflibercept) Injection for you and your patients:

1. **Regeneron is prepared to adjust our current financial programs in order to address the impact of the MFN Rule, should it go into effect.** We will promptly share details as necessary.
2. **Regeneron will continue to offer a temporary extension of physician payment terms for EYLEA purchases from authorized distributors to 150 days.**

We believe that these actions will allow you to confidently treat patients with whichever medicine you and your patients choose as best suited to treat their disease, even if the MFN Rule goes into effect.

We were compelled to join the growing number of physician, patient and industry groups challenging the MFN rule and file our own lawsuit seeking to prevent implementation of the MFN Rule on Medicare Fee-for-Service (FFS) patients. Regeneron continues to believe the MFN Rule will hurt patients, interfere with physicians' clinically-driven decisions and should not be implemented.

Our lawsuit focused on four key areas:

- The MFN Rule was issued without the necessary notice-and-comment process, as required by law.
- The MFN Rule is beyond the statutory authority of the Centers for Medicare & Medicaid Services (CMS).
- The MFN Rule is arbitrary and capricious because it applies to the entire country and thus cannot properly be used to evaluate its impact on patients, providers, and manufacturers, and because it does not take into account the fact that

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certain companies such as Regeneron do not control the prices of their drugs, like EYLEA, outside the United States.
- Finally, the MFN Rule is unconstitutional because, among other things, it effectively overrides the laws passed by Congress regarding Medicare reimbursement. Such a broad re-write must originate in Congress.

A judge heard our case on December 22, 2020 and we eagerly await a decision.

We continue to advocate for a resolution that prevents the MFN Rule from being implemented in 2021. We understand the importance of keeping you regularly informed and will keep the Ophthalmology community updated as more information is available.

Thank you,
Kevin Clark
Vice President, Ophthalmology Business Unit, Regeneron

Richard O'Neal
Vice President, Market Access, Regeneron

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Forward-Looking Statements and Use of Digital Media

The letter included in this statement includes forward-looking statements that involve risks and uncertainties relating to future events and the future performance of Regeneron Pharmaceuticals, Inc. ("Regeneron" or the "Company"), and actual events or results may differ materially from these forward-looking statements. Words such as "anticipate," "expect," "intend," "plan," "believe," "seek," "estimate," variations of such words, and similar expressions are intended to identify such forward-looking statements, although not all forward-looking statements contain these identifying words. These statements concern, and these risks and uncertainties include, among others, determinations by regulatory and administrative governmental authorities which may delay or restrict Regeneron's ability to continue to develop or commercialize Regeneron's products and product candidates; the availability and extent of reimbursement of Regeneron's products (such as EYLEA® (aflibercept) Injection) from third-party payers, including private payer healthcare and insurance programs, health maintenance organizations, pharmacy benefit management companies, and government programs such as Medicare and Medicaid; coverage and reimbursement determinations by such payers and new policies and procedures adopted by such payers; and risks associated with pending or future litigation and other proceedings relating to or otherwise impacting the Company and/or its operations, including the various lawsuits challenging the Most Favored Nation Rule (the "MFN Rule") discussed herein, the ultimate outcome of any such proceedings (including whether the MFN Rule is implemented, how long the temporary restraining order discussed herein will be in effect, whether temporary or permanent injunctive relief may be granted in the future, and whether the MFN Rule may be otherwise suspended or repealed), and the impact any of the foregoing may have on Regeneron's business, prospects, operating results, and financial condition. A more complete description of these and other material risks can be found in Regeneron's filings with the U.S. Securities and Exchange Commission, including its Form 10-K for the year ended December 31, 2019 and its Form 10-Q for the quarterly period ended September 30, 2020. Any forward-looking statements are made based on management's current beliefs and judgment, and the reader is cautioned not to

rely on any forward-looking statements made by Regeneron. Regeneron does not undertake any obligation to update (publicly or otherwise) any forward-looking statement, including without limitation any financial projection or guidance, whether as a result of new information, future events, or otherwise.

Regeneron uses its media and investor relations website and social media outlets to publish important information about the Company, including information that may be deemed material to investors. Financial and other information about Regeneron is routinely posted and is accessible on Regeneron's media and investor relations website (http://newsroom.regeneron.com) and its Twitter feed (http://twitter.com/regeneron).